

1 AN ACT relating to public assistance.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
4 READ AS FOLLOWS:

5 *For the purposes of Sections 2, 11, 15, 16, 17, 18, and 19 of this Act, unless context*
6 *requires otherwise:*

7 *(1) "Cash assistance":*

8 *(a) Means cash benefits provided under this chapter, including via an*
9 *electronic benefit transfer card; and*

10 *(b) Does not include foster care payments, kinship care payments, fictive kin*
11 *care payments, or relative placement payments made by the cabinet; and*

12 *(2) "Public assistance" has the same meaning as in KRS 205.010 but does not*
13 *include foster care payments, kinship care payments, fictive kin care payments, or*
14 *relative placement payments made by the cabinet.*

15 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
16 READ AS FOLLOWS:

17 *(1) The cabinet shall establish and maintain policies and practices necessary to*
18 *ensure compliance with 42 U.S.C. sec. 608(a)(12).*

19 *(2) If a cash recipient of public assistance benefits uses an automated teller machine*
20 *or any other means or device to withdraw cash using an electronic benefit*
21 *transfer card issued by the cabinet, that cash may only be used for goods and*
22 *services necessary for the welfare of the family, including but not limited to food,*
23 *clothing, housing, utilities, child care, transportation, medicine, and medical*
24 *supplies.*

25 *(3) If in the normal course of operations, the cabinet finds that an individual has*
26 *violated subsection (2) of this section, the cabinet:*

27 *(a) Shall through any means practical and to the extent permitted under state*

and federal law, including but not limited to garnishment of future cash assistance benefits, seek recoupment from the individual of any funds used in violation of subsection (2) of this sections; and

(b) May:

1. Impose a fine on the individual in an amount not to exceed five hundred dollars (\$500);

2. Upon the first violation, disqualify the individual from receiving public assistance benefits by means of a direct cash payment or an electronic benefits transfer card for not more than one (1) month;

3. Upon the second violation, disqualify the individual from receiving public assistance benefits by means of a direct cash payment or an electronic benefits transfer card for not more than three (3) months;
and

4. Upon the third violation, disqualify the individual from receiving public assistance benefits by means of a direct cash payment or an electronic benefits transfer card for not more than one (1) year.

(4) The cabinet shall:

(a) Through any means practical, inform all applicants for and cash recipients of public assistance benefits of the restrictions and sanctions contained in this section;

(b) Investigate cases in which it believes cash benefits may be being used in violation of subsection (2) of this section; and

(c) Within ninety (90) days after the effective date of this Act, promulgate administrative regulations in accordance with KRS Chapter 13A necessary to administer this section.

➔SECTION 3. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) The General Assembly hereby affirms the mission of the Supplemental Nutrition Assistance Program, formerly known as the federal food stamp program, to supplement the food budgets of needy families so that they can purchase healthy food and move toward self-sufficiency. To that end, the General Assembly recommends that Supplemental Nutrition Assistance Program beneficiaries use their monthly benefits to purchase healthy foods.

(2) The cabinet shall coordinate with the Department of Agriculture to provide support to expand access by Supplemental Nutrition Assistance Program beneficiaries to farmers' markets across the Commonwealth.

➔SECTION 4. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

In order to improve access to the Supplemental Nutrition Assistance Program, reduce administrative costs associated with the program, and enhance program integrity, the cabinet shall:

(1) Within one hundred eighty (180) days after the effective date of this Act:

(a) Establish a transitional benefit alternative as described in 7 C.F.R. secs. 273.26 to 273.32;

(b) Request a waiver from the United States Department of Agriculture to implement:

1. An Elderly Simplified Application Project for individuals who have no earned income and who are over sixty (60) years of age or who are disabled; and

2. A standard medical deduction waiver for individuals who are over sixty (60) years of age or are disabled;

(c) Establish procedures to allow Supplemental Nutrition Assistance Program beneficiaries to recertify eligibility online;

(d) To the extent permitted under federal law, develop and implement an online

1 employment and training program, as defined in 7 U.S.C. sec. 2015(d)(4),
 2 for any individual that is subject to work requirements under 7 U.S.C. sec.
 3 2015(d)(1);

4 (e) Request a waiver from the United States Department of Agriculture relating
 5 to Supplemental Nutrition Assistance time limit exception established in 7
 6 C.F.R. sec. 273.24(c)(4); and

7 (f) Promulgate administrative regulations in accordance with KRS Chapter
 8 13A necessary to administer this section; and

9 (2) Within ninety (90) days after the effective date of this Act, require all households
 10 receiving Supplemental Nutrition Assistance benefits, except for those
 11 households described in subsection (1)(b) of this section, to comply with the
 12 change reporting requirements permitted pursuant to 7 C.F.R. sec. 273.12(a).

13 ➔SECTION 5. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
 14 READ AS FOLLOWS:

15 (1) The cabinet, to the extent permitted under federal law, shall no later than April
 16 15, 2023, implement a community engagement program for able-bodied adults
 17 without dependents who have been enrolled in the state's medical assistance
 18 program for more than twelve (12) months.

19 (2) If the federal Centers for Medicare and Medicaid Services approves the
 20 implementation of a community engagement program pursuant to subsection (1)
 21 of this section:

22 (a) The program may, for the purpose of defining qualifying community
 23 engagement activities, utilize the same requirements established in 7 C.F.R.
 24 sec. 273.24;

25 (b) Participation in the job placement assistance program established in
 26 Section 14 of this Act shall constitute qualifying community engagement
 27 activities; and

(c) The cabinet shall, on a monthly basis, provide the Education and Workforce Development Cabinet with the name and contact information of each individual participating in the community engagement program.

(3) As used in this section, "able-bodied adult without dependents" means an individual who is:

(a) Over eighteen (18) years of age but under sixty (60) years of age;

(b) Physically and mentally able to work as determined by the cabinet; and

(c) Not primarily responsible for the care of a dependent child under the age of eighteen (18) or a dependent disabled adult relative.

➔SECTION 6. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

Notwithstanding any provision of law to the contrary, the cabinet shall not exercise the state's option to develop a basic health program as permitted under 42 U.S.C. sec. 18051 without first obtaining specific authorization from the General Assembly to do so.

➔SECTION 7. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) When the Department for Medicaid Services receives federal funding for the state's medical assistance program which is contingent on temporary maintenance of effort restrictions, such as those restrictions imposed under Pub. L. No. 116-127 sec. 6008, or is, for any reason, limited in its ability to disenroll individuals from the state's medical assistance program, the department shall:

(a) Continue to conduct eligibility redeterminations as in the normal course of business; and

(b) Act on those redeterminations to the fullest extent permitted under federal law.

(2) Following the expiration of any federally imposed restrictions described in

subsection (1) of this section, the department shall conduct a full audit in which the department shall:

(a) Within sixty (60) days, request approval from the federal Centers for Medicare and Medicaid Services to conduct and act on eligibility redeterminations for each individual who was enrolled during the period of federally imposed restrictions and has been enrolled for more than three (3) months; and

(b) Within twelve (12) months:

1. Complete and act on eligibility redeterminations for all cases that have not had a redetermination within the previous twelve (12) months; and

2. Complete and act on eligibility redeterminations for individuals described in paragraph (a) of this subsection, if the department receives the federal approval requested pursuant to this paragraph (a) of this subsection.

➔SECTION 8. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

Unless expressly required under federal law, neither the cabinet nor the Department for Medicaid Services shall be designated as a qualified health entity for the purpose of making presumptive eligibility determinations for the state's medical assistance program.

➔SECTION 9. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) As used in this section:

(a) "Department" means the Department for Medicaid Services;

(b) "Period of presumptive eligibility" has the same meaning as in 42 C.F.R. sec. 435.1101; and

(c) "Qualified hospital" has the same meaning as in 42 C.F.R. 435.1110(b).

(2) If a qualified hospital determines that an individual meets the criteria for presumptive eligibility using information provided and attested to by the individual, the hospital shall:

(a) Notify the department of the determination within five (5) business days from the date of determination in a form prescribed by the department;

(b) Provide a written eligibility notice to the individual. The written eligibility notice shall, at a minimum, include the following information in plain language and large print:

1. The beginning and end dates of the period of presumptive eligibility;

2. Notification that the individual is required to make an application for Medicaid benefits through the individual's local Department for Community Based Services office;

3. The location of the individual's local Department for Community Based Services office;

4. Notification that if the individual does not file a full Medicaid application before the last day of the following month, the period of presumptive eligibility coverage will end on that day; and

5. Notification that if the individual does file a full Medicaid application before the last day of the following month, presumptive eligibility coverage will continue until an eligibility determination is made on the application by the department;

(c) Issue a presumptive eligibility identification card or document to the presumed eligible individual;

(d) Maintain a record of the presumptive eligibility screening for each application; and

(e) Assist presumptively eligible individuals in completing a full Medicaid application and understanding any documentation requirements.

1 (3) If a qualified hospital determines that an individual does not meet the criteria for
 2 presumptive eligibility using information provided and attested to by the
 3 individual, the hospital shall provide the individual with written notification of:

4 (a) The reason for the determination;

5 (b) Notification that the individual may file a full Medicaid application through
 6 the individual's local Department for Community Based Services office if
 7 the individual wishes to have a formal determination of eligibility made by
 8 the department; and

9 (c) The location of the individual's local Department for Community Based
 10 Services office.

11 (4) Notwithstanding any other provision of law to the contrary and to the extent
 12 permitted under federal law, a pregnant individual shall be limited to one (1)
 13 period of presumptive eligibility per pregnancy.

14 (5) (a) The department shall provide training on all applicable state and federal
 15 laws related to presumptive eligibility to all qualified hospitals.

16 (b) Prior to conducting presumptive eligibility screenings and determinations, a
 17 qualified hospital's staff, contractor, or vendor responsible for presumptive
 18 eligibility screenings and determinations shall be required to complete
 19 presumptive eligibility training provided by the department.

20 (6) If a qualified hospital uses a contractor or other vendor for the purpose of
 21 conducting presumptive eligibility screenings and determinations, the hospital
 22 shall be responsible for monitoring the contractor's or vendor's compliance with
 23 all applicable state and federal laws related to presumptive eligibility.

24 (7) Within ninety (90) days after the effective date of this Act, the department shall
 25 promulgate administrative regulations in accordance with KRS Chapter 13A that
 26 are necessary to administer this section. Administrative regulations promulgated
 27 pursuant to this subsection shall include but not be limited to a through

presumptive eligibility application form to be used by qualified hospitals when making presumptive eligibility determinations using information provided and attested to by an individual.

➔SECTION 10. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

To the extent permitted under federal law, the state's medical assistance program shall provide coverage for substance use disorder treatment, including peer support services and substance use disorder treatment and patient navigation provided by a licensed clinical social worker, for incarcerated individuals.

➔SECTION 11. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) If a custodial parent of a dependent child is disqualified from receiving cash assistance benefits pursuant to Section 2 or 16 of this Act, the dependent child's eligibility and any other adult family member's eligibility for cash assistance benefits shall not be affected, and the custodial parent may choose to designate another person as a protective payee to receive benefits on behalf of the dependent child. The protective payee shall be an adult immediate family member of the dependent child, if such a person is available. The protective payee shall be approved by the cabinet.

(2) Within ninety (90) days after the effective date of this Act, the cabinet shall promulgate administrative regulations, in accordance with KRS Chapter 13A, necessary to administer this section.

➔SECTION 12. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

The Cabinet for Health and Family Services shall submit a report to the Legislative Research Commission on efforts to implement Sections 2, 3, 5, 7, 9, 10, 16, and 19 of this Act no later than December 1, 2022, within one (1) year after the effective date of

this Act, and at any time thereafter upon request from the Legislative Research Commission.

➔SECTION 13. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

The Attorney General shall:

(1) On behalf of the Commonwealth of Kentucky, have jurisdiction to enforce this chapter; and

(2) Bring an action against the Cabinet for Health and Family Services if any statutory provisions are not fully implemented as required by Sections 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 15, 16, 17, 18, and 19 of this Act or for any violation thereof.

➔SECTION 14. A NEW SECTION OF KRS CHAPTER 151B IS CREATED TO READ AS FOLLOWS:

(1) The Education and Workforce development Cabinet is hereby directed to establish, within one hundred eighty (180) days of the effective date of this Act, a job placement assistance program to assist individuals enrolled in the state's medical assistance program established in KRS Chapter 205 in finding employment.

(2) The job placement assistance program shall:

(a) Be available to any able-bodied adult enrolled in the state's medical assistance program;

(b) Provide one-on-one job placement coaching and support; and

(c) Prioritize job placement with an employer who offers comprehensive health insurance coverage for medical and surgical services as an employee benefit.

(3) The Education and Workforce Development Cabinet shall contact each individual who, pursuant to subsection (2)(a) of this section, is eligible to participate in the job placement assistance program and provide him or her with

information on the program and services provided.

(4) As used in this section "able-bodied adult" means an individual who is:

(a) Over eighteen (18) years of age but under sixty (60) years of age; and

(b) Physically and mentally able to work as determined by the cabinet.

➔Section 15. KRS 205.178 is amended to read as follows:

- (1) At a regularly scheduled interval, each enrollment or benefit tracking agency associated with the Medicaid program or the Supplemental Nutrition Assistance Program ~~food stamps program~~ of the cabinet shall receive and review information from the Kentucky Lottery Corporation concerning individuals enrolled as recipients in the Medicaid program or the Supplemental Nutrition Assistance Program ~~food stamps program~~ that indicates a change in circumstances that may affect eligibility, including but not limited to changes in income or resources.
- (2) On at least a monthly basis, each enrollment or benefit tracking agency associated with the Medicaid program or the Supplemental Nutrition Assistance Program ~~food stamps program~~ of the cabinet shall receive and review information from the Vital Statistics Branch concerning individuals enrolled in the Medicaid program or the Supplemental Nutrition Assistance Program ~~food stamps program~~ that indicates a change in circumstances that may affect eligibility.
- (3) On at least a quarterly basis, each enrollment or benefit tracking agency associated with the Medicaid program or the Supplemental Nutrition Assistance Program ~~food stamps program~~ of the cabinet shall receive and review information from the Kentucky Office of Unemployment Insurance concerning individuals enrolled in the Medicaid program or the Supplemental Nutrition Assistance Program ~~food stamps program~~ that indicates a change in circumstances that may affect eligibility, including but not limited to changes in employment or wages.
- (4) On at least a quarterly basis, each enrollment or benefit tracking agency associated with the Medicaid program or the Supplemental Nutrition Assistance Program ~~food stamps program~~

~~food stamps program~~ of the cabinet shall receive and review information concerning individuals enrolled in the Medicaid program or the **Supplemental Nutrition Assistance Program** ~~food stamps program~~ that indicates a change in circumstances that may affect eligibility, including but not limited to potential changes in residency as identified by out-of-state electronic benefit transfer transactions.

(5) ~~{(a) }~~Notwithstanding any other provision of law to the contrary:~~{ }~~

(a) Each enrollment or benefit tracking agency associated with the Medicaid program or the **Supplemental Nutrition Assistance Program** ~~{food stamps program }~~of the cabinet shall enter into a memorandum of understanding with any department, agency, or division for information detailed in this section;
and~~{ }~~

~~(b) {Notwithstanding any other provision of law to the contrary, }~~Any department, agency, or division for information detailed in this section, including but not limited to the Kentucky Lottery Corporation, the Vital Statistics Branch, the Office of Unemployment Insurance, and the Department for Community Based Services, shall enter into any necessary memoranda of understanding with the enrollment or benefit tracking agency associated with the Medicaid program or the **Supplemental Nutrition Assistance Program** ~~{food stamps program }~~requesting an agreement pursuant to paragraph (a) of this subsection.

(6) Each enrollment or benefit tracking agency associated with the Medicaid program or the **Supplemental Nutrition Assistance Program** ~~food stamps program~~ of the cabinet may contract **in accordance with KRS Chapter 45A** with one (1) or more independent vendors to provide additional data or information that may indicate a change in circumstances that may affect eligibility.

(7) Each enrollment or benefit tracking agency associated with the Medicaid program

1 or the **Supplemental Nutrition Assistance Program** ~~{food stamps program}~~ of the
 2 cabinet shall explore joining any multistate cooperative to identify individuals who
 3 are also enrolled in public assistance programs outside of this state.

- 4 (8) If an enrollment or benefit tracking agency associated with the Medicaid program or
 5 the **Supplemental Nutrition Assistance Program** ~~{food stamps program}~~ of the
 6 cabinet receives information concerning an individual enrolled in the Medicaid
 7 program or the **Supplemental Nutrition Assistance Program** ~~{food stamps program}~~
 8 }that indicates a change in circumstances that may affect eligibility, the enrollment
 9 or benefit tracking agency or other appropriate agency shall review the individual's
 10 case.

- 11 (9) *(a) Unless expressly required by federal law or as permitted by this subsection,*
 12 *the cabinet shall not seek, apply for, accept, or renew any waiver of work*
 13 *requirements established by the Supplemental Nutrition Assistance*
 14 *Program under 7 U.S.C. sec. 2015(o) without first obtaining specific*
 15 *authorization from the General Assembly to do so. The cabinet may,*
 16 *without first obtaining specific authorization from the General Assembly,*
 17 *request:*

18 *1. A waiver of Supplemental Nutrition Assistance Program work*
 19 *requirements for a county in which the unemployment rate is equal to*
 20 *or greater than ten percent (10%); or*

21 *2. A statewide waiver of Supplemental Nutrition Assistance Program*
 22 *work requirements if the state's unemployment rate is equal to or*
 23 *greater than ten percent (10%)* ~~{The food stamps program of the cabinet~~

24 ~~shall not seek, apply for, accept, or renew any waiver of requirements~~
 25 ~~established under 7 U.S.C. sec. 2015(o) unless there is an economic~~
 26 ~~downturn resulting in an unemployment rate of ten percent (10%) or~~
 27 ~~more or the Cabinet for Health and Family Services determines an~~

1 ~~increase in the unemployment rate in any particular county is severe~~
 2 ~~enough to necessitate a waiver].~~

3 **(b) The cabinet shall not exercise the state's option under 7 U.S.C. sec.**
 4 **2015(o)(6).**

5 **(c) The cabinet may assign individuals who are subject to work requirements**
 6 **under 7 U.S.C. sec. 2015(d)(1) to an employment and training program as**
 7 **defined in 7 U.S.C. sec. 2015(d)(4).**

8 (10) The cabinet shall, **in accordance with KRS Chapter 13A,** promulgate all rules and
 9 **administrative** regulations necessary for the purposes of carrying out this section.

10 (11) Upon request **from the Legislative Research Commission,** the Cabinet for Health
 11 and Family Services shall submit a report relating to the number of individuals
 12 discovered utilizing services inappropriately, the number of individuals who were
 13 removed from one (1) or more public assistance programs as a result of a review
 14 pursuant to this section, and the amount of public funds preserved in total and by
 15 public assistance program and aggregated by prior years.

16 ➔Section 16. KRS 205.200 is amended to read as follows:

17 (1) A needy aged person, a needy blind person, a needy child, a needy permanently and
 18 totally disabled person, or a person with whom a needy child lives shall be eligible
 19 to receive a public assistance grant only if he **or she** has made a proper application
 20 or an application has been made on his **or her** behalf in the manner and form
 21 prescribed by administrative regulation. No individual shall be eligible to receive
 22 public assistance under more than one (1) category of public assistance for the same
 23 period of time.

24 (2) The secretary shall, by administrative regulations, prescribe the conditions of
 25 eligibility for public assistance in conformity with the public assistance titles of the
 26 Social Security Act, its amendments, and other federal acts and regulations. The
 27 secretary shall also promulgate administrative regulations to allow for between a

1 forty percent (40%) and a forty-five percent (45%) ratable reduction in the method
 2 of calculating eligibility and benefits for public assistance under Title IV-A of the
 3 Federal Social Security Act. In no instance shall grants to families with no income
 4 be less than the appropriate grant maximum used for public assistance under Title
 5 IV-A of the Federal Social Security Act. As used in this section, "ratable reduction"
 6 means the percentage reduction applied to the deficit between the family's countable
 7 income and the standard of need for the appropriate family size.

8 (3) The secretary may by administrative regulation prescribe as a condition of eligibility
 9 that a needy child regularly attend school, and may further by administrative
 10 regulation prescribe the degree of relationship of the person or persons in whose
 11 home such needy child must reside.

12 (4) The secretary may by administrative regulation prescribe conditions for bringing
 13 paternity proceedings or actions for support in cases of out of wedlock birth or
 14 nonsupport by a parent in the public assistance under Title IV-A of the Federal
 15 Social Security Act program.

16 (5) Public assistance shall not be payable to or in behalf of any individual who has
 17 taken any legal action in his or her own behalf or in the behalf of others with the
 18 intent and purpose of creating eligibility for the assistance.

19 (6) The cabinet shall promptly notify the appropriate law enforcement officials of the
 20 furnishing of public assistance under Title IV-A of the Federal Social Security Act
 21 in respect to a child who has been deserted or abandoned by a parent.

22 (7) No person shall be eligible for public assistance payments if, after having been
 23 determined to be potentially responsible, and afforded notice and opportunity for
 24 hearing, he refuses without good cause:

- 25 (a) To register for employment with the state employment service,
- 26 (b) To accept suitable training, or
- 27 (c) To accept suitable employment.

1 The secretary may prescribe by administrative regulation, subject to the provisions
2 of KRS Chapter 13A, standards of suitability for training and employment.

3 (8) To the extent permitted by federal law, scholarships, grants, or other types of
4 financial assistance for education shall not be considered as income for the purpose
5 of determining eligibility for public assistance.

6 (9) To the extent permitted by federal law, any money received because of a settlement
7 or judgment in a lawsuit brought against a manufacturer or distributor of "Agent
8 Orange" for damages resulting from exposure to "Agent Orange" by a member or
9 veteran of the Armed Forces of the United States or any dependent of such person
10 who served in Vietnam shall not be considered as income for the purpose of
11 determining eligibility or continuing eligibility for public assistance and shall not be
12 subject to a lien or be available for repayment to the Commonwealth for public
13 assistance received by the recipient.

14 (10) (a) For the purpose of determining eligibility for medical assistance under Title
15 XIX of the Social Security Act, the cabinet shall not, unless expressly
16 required by federal law, accept self-attestation of income, residency, age,
17 household composition, caretaker or relative status, or receipt of other
18 coverage without verification prior to enrollment, and the cabinet shall not
19 request federal authorization or approval to waive or decline to periodically
20 check any available income-related data source to verify eligibility.

21 (b) This subsection shall not apply to any individual who is a resident of an
22 assisted-living community as defined in KRS 194A.700 or to a long-term
23 care facility as defined in KRS 216A.010 or hospital licensed under KRS
24 Chapter 216B that is using self-attestation to determine presumptive
25 eligibility.

26 (c) If an individual for medical assistance under Title XIX of the Social
27 Security Act willingly and knowingly self-attests to falsified information

related to income, residency, age, household composition, caretaker or relative status, or receipt of other coverage, the cabinet may fine the individual not more than five hundred dollars (\$500) per offense.

(11) When determining whether an applicant for services or assistance provided under this chapter meets the applicable income eligibility guidelines, the cabinet:

(a) Shall only use the most recent income verification data available; and

(b) May consider fluctuating employment income data.

(12) If in the normal course of operations, the cabinet finds that an individual has trafficked, sold, distributed, given, or otherwise transferred an electronic benefit transfer card issued by the department for money, service, or other valuable consideration, the cabinet, to the extent permitted under state and federal law:

(a) Shall through any means practical, including but not limited to garnishment of future cash assistance benefits, seek recoupment from the individual of any cash benefits trafficked, sold, distributed, given, or otherwise transferred; and

(b) May:

1. Upon the first violation, deem the individual ineligible for all public assistance programs administered by the cabinet under this chapter for a period of not more than six (6) months;

2. Upon the second violation, deem the individual ineligible for all public assistance programs administered by the cabinet under this chapter for a period of not more than twelve (12) months; and

3. Upon the third violation, deem the individual ineligible for all public assistance programs administered by the cabinet under this chapter for a period of not more than five (5) years.

(13)~~(10)~~ (a) Notwithstanding any other provision of Kentucky law, the following shall be disregarded for the purposes of determining an individual's eligibility

for a means-tested public assistance program, and the amount of assistance or benefits the individual is eligible to receive under the program:

1. Any amount in an ABLE account;
2. Any contributions to an ABLE account; and
3. Any distribution from an ABLE account for qualified disability expenses.

(b) For purposes of this subsection:

1. "ABLE account" means an account established within any state having a qualified ABLE program as provided in 26 U.S.C. sec. 529A, as amended;
2. "Kentucky law" includes:
 - a. All provisions of the Kentucky Revised Statutes;
 - b. Any contract to provide Medicaid managed care established pursuant to this chapter;
 - c. Any agreement to operate a Medicaid program established pursuant to this chapter; and
 - d. Any administrative regulation promulgated pursuant to this chapter; and
3. "Qualified disability expenses" means expenses described in 26 U.S.C. sec. 529A of a person who is the beneficiary of an ABLE account.

➔Section 17. KRS 205.231 is amended to read as follows:

- (1) The secretary shall appoint one (1) or more impartial hearing officers to hear and decide upon appealed decisions.
- (2) Any applicant or recipient who is dissatisfied with the decision or delay in action on his or her application for public assistance or the amount granted to him or her and any applicant or recipient who was deemed ineligible or disqualified from public assistance benefits under Section 2 or 16 of this Act may appeal to a hearing

1 officer, except that an appeal and a hearing need not be granted if the sole issue is a
2 federal or state law requiring an automatic change adversely affecting some or all
3 recipients of the Kentucky medical assistance program so long as advance notice of
4 the change, with an explanation of appeal rights, is provided to all affected
5 recipients. However, a recipient may appeal whether the cabinet is accurately
6 interpreting a change in federal or state law which may adversely affect the
7 recipient. On receipt of an appeal, an administrative hearing shall be conducted in
8 accordance with KRS Chapter 13B.

9 (3) The secretary may appoint an Appeal Board for Public Assistance composed of the
10 secretary and two (2) other members. The secretary shall be chairman, and he or she
11 and one (1) other member constitute a quorum.

12 (4) Any applicant or recipient who is dissatisfied with the decision of a hearing officer
13 may appeal to the appeal board in the manner and form prescribed by administrative
14 regulation. The board may on its own motion affirm, modify, or set aside any
15 decision of a hearing officer on the basis of the evidence previously submitted in the
16 case, or direct the taking of additional evidence, or may permit any of the parties to
17 the decision to initiate further appeals before it. The board may remove itself or
18 transfer to another hearing officer the proceedings on any appeal pending before a
19 hearing officer. The board shall promptly notify the parties to any proceedings of its
20 findings and decisions.

21 (5) The manner in which appeals are presented and hearings and appeals conducted
22 under subsection (4) of this section shall be in accordance with administrative
23 regulations promulgated by the secretary.

24 (6) After a decision by the appeal board, any party aggrieved by the decision may seek
25 judicial review of the decision by filing a petition in the Circuit Court of the county
26 in which the petitioner resides, in accordance with KRS 13B.140, 13B.150, and
27 13B.160.

1 ➔Section 18. KRS 205.525 is amended to read as follows:

2 (1) Concurrent with submitting an application for a waiver or waiver amendment or a
3 request for a plan amendment to any federal agency that approves waivers, waiver
4 amendments, and plan amendments, the cabinet~~[for Health and Family Services]~~
5 shall provide to the Interim Joint Committee on Health,~~[and]~~ Welfare, **and Family**
6 **Services**, and to the Interim Joint Committee on Appropriations and Revenue a
7 copy, summary, and statement of benefits of the application for a waiver or waiver
8 amendment or request for a plan amendment.

9 (2) The cabinet shall provide an update on the status of the application for a waiver or
10 waiver amendment or request for a plan amendment **to the Legislative Research**
11 **Commission** upon request.

12 **(3) If the cabinet is expressly directed by the General Assembly to submit an**
13 **application for a waiver or waiver amendment or a request for a plan amendment**
14 **to any federal agency that approves waivers, waiver amendments, or plan**
15 **amendments for public assistance programs administered under this chapter and**
16 **that application or request is denied by the federal agency, the cabinet shall notify**
17 **the Legislative Research Commission of the reasons for the denial. If instructed**
18 **by the General Assembly through legislative action during the next legislative**
19 **session, the cabinet shall resubmit, with or without modifications based on**
20 **instructions from the General Assembly, the application for a waiver or waiver**
21 **amendment or request for a plan amendment.**

22 ➔Section 19. KRS 205.725 is amended to read as follows:

23 (1) Whenever the cabinet receives an application for public assistance on behalf of a
24 needy dependent child or reviews the records of those currently receiving public
25 assistance on behalf of a needy dependent child and it appears to the satisfaction of
26 the cabinet that either or both parents have failed to provide support to the child, the
27 cabinet **shall**~~[may]~~ take appropriate action under this chapter, or any other

appropriate state and federal laws and regulations, to assure that the responsible parent or parents provide support to the child.

(2) **Subsection (1) of this section shall not apply if the:**

(a) Cabinet has reason to believe allegations of child abuse or domestic violence and that enforcement of subsection (1) of this section could be harmful to the custodial parent or needy dependent child;

(b) Cabinet believes that enforcement of subsection (1) of this section may not be in the best interest of the needy dependent child; or

(c) Custodial parent is the needy dependent child's mother, and she did not identify a father on the child's birth certificate at the time of birth.

(3) As used in KRS 205.730, 205.735, 205.765, and 205.785, the term "child" includes a child of an individual who is not receiving public assistance and who is eligible to receive child support services in accordance with Title IV-D of the Social Security Act.

➔Section 20. KRS 21A.190 is amended to read as follows:

(1) The General Assembly respectfully requests that the Supreme Court of Kentucky institute a pilot project to study the feasibility and desirability of the opening or limited opening of court proceedings, except for proceedings related to sexual abuse, to the public which are related to:

(a) Dependency, neglect, and abuse proceedings under KRS Chapter 620; and

(b) Termination of parental rights proceedings under KRS Chapter 625.

(2) (a) The pilot project may be established in a minimum of three (3) diverse judicial districts or judicial circuits or a division or divisions thereof chosen by the Chief Justice.

(b) A pilot project authorized by this subsection shall not be established in a judicial district or judicial circuit or a division thereof when objected to by the applicable judge or county attorney.

1 (3) The pilot project shall:

2 (a) Require participating courts to be presumptively open;

3 (b) Last for four (4) years, unless extended or limited by the General Assembly;
4 and

5 (c) Be monitored and evaluated by the Administrative Office of the Courts to
6 determine:

7 1. Whether there are adverse effects resulting from the opening of certain
8 proceedings or release of records;

9 2. Whether the pilot project demonstrates a benefit to the litigants;

10 3. Whether the pilot project demonstrates a benefit to the public;

11 4. Whether the pilot project supports a determination that such proceedings
12 should be presumptively open;

13 5. Whether the pilot project supports a determination that such proceedings
14 should be closed;

15 6. How open proceedings under the pilot project impact the child;

16 7. The parameters and limits of the program;

17 8. Suggestions for the operation and improvement of the program;

18 9. Rules changes which may be needed if the program is to be made
19 permanent and expanded to all courts; and

20 10. Recommendations for statutory changes which may be needed if the
21 program is to be made permanent and expanded to all courts.

22 (4) The Administrative Office of the Courts:

23 (a) Shall provide an annual report to the Legislative Research Commission~~[- the~~
24 ~~Child Welfare Oversight and Advisory Committee established in KRS 6.943,]~~
25 and the Interim Joint Committee on Judiciary by September 1 of each year the
26 program is in operation with statistics, findings, and recommendations; and

27 (b) May make periodic progress reports and statistical reports and provide

1 suggestions to the Interim Joint Committee on Health and Welfare and to the
 2 Interim Joint Committee on Judiciary when determined necessary by the Chief
 3 Justice.

4 ➔Section 21. KRS 157.065 is amended to read as follows:

5 (1) Any school that does not offer a school breakfast program shall submit an annual
 6 report no later than September 15 to the Kentucky Board of Education indicating
 7 the reasons for not offering the program. The report shall include the number of
 8 children enrolled at the school and the number of children who are eligible for free
 9 or reduced priced meals under the federal program.

10 (2) The state board shall inform the school of the value of the school breakfast
 11 program, its favorable effects on student attendance and performance, and the
 12 availability of funds to implement the program.

13 (3) The commissioner of education shall submit an annual report no later than
 14 December 1 to the Interim Joint Committee on Education~~and the Child Welfare~~
 15 ~~Oversight and Advisory Committee established in KRS 6.943]~~ regarding the status
 16 of the school breakfast program including, but not limited to, information
 17 describing the schools that do not offer the program, the reasons given by the
 18 schools for not offering the program, the number of children enrolled in each
 19 school, the number of children in each school who are eligible for free or reduced
 20 priced meals under the federal program, and the action taken by the state board to
 21 encourage schools to implement the program.

22 ➔Section 22. KRS 194A.030 is amended to read as follows:

23 The cabinet consists of the following major organizational units, which are hereby
 24 created:

25 (1) Office of the Secretary. Within the Office of the Secretary, there shall be an Office
 26 of the Ombudsman and Administrative Review, an Office of Legal Services, an
 27 Office of Inspector General, an Office of Public Affairs, an Office of Human

1 Resource Management, an Office of Finance and Budget, an Office of Legislative
2 and Regulatory Affairs, an Office of Administrative Services, and an Office of
3 Application Technology Services, as follows:

4 (a) The Office of the Ombudsman and Administrative Review shall be headed by
5 an executive director who shall be appointed by the secretary with the
6 approval of the Governor under KRS 12.050 and shall:

- 7 1. Investigate, upon complaint or on its own initiative, any administrative
8 act of an organizational unit, employee, or contractor of the cabinet,
9 without regard to the finality of the administrative act. Organizational
10 units, employees, or contractors of the cabinet shall not willfully
11 obstruct an investigation, restrict access to records or personnel, or
12 retaliate against a complainant or cabinet employee;
- 13 2. Make recommendations that resolve citizen complaints and improve
14 governmental performance and may require corrective action when
15 policy violations are identified;
- 16 3. Provide evaluation and information analysis of cabinet performance and
17 compliance with state and federal law;
- 18 4. Place an emphasis on research and best practices, program
19 accountability, quality service delivery, and improved governmental
20 performance;
- 21 5. Provide information on how to contact the office for public posting at all
22 offices where Department for Community Based Services employees or
23 contractors work, at any facility where a child in the custody of the
24 cabinet resides, and to all cabinet or contracted foster parents;
- 25 6. Report to the Office of Inspector General for review and investigation
26 any charge or case against an employee of the Cabinet for Health and
27 Family Services where it has cause to believe the employee has engaged

1 in dishonest, unethical, or illegal conduct or practices related to his or
 2 her job duties; or any violation of state law or administrative regulation
 3 by any organization or individual regulated by, or contracted with the
 4 cabinet;

5 7. Compile a report of all citizen complaints about programs or services of
 6 the cabinet and a summary of resolution of the complaints and submit
 7 the report upon request to the ~~{Child Welfare Oversight and Advisory~~
 8 ~~Committee established in KRS 6.943, and the }~~ Interim Joint Committee
 9 on Health and Welfare and Family Services;

10 8. Include oversight of administrative hearings; and

11 9. Provide information to the Office of the Attorney General, when
 12 requested, related to substantiated violations of state law against an
 13 employee, a contractor of the cabinet, or a foster or adoptive parent;

14 (b) The Office of Legal Services shall provide legal advice and assistance to all
 15 units of the cabinet in any legal action in which it may be involved. The Office
 16 of Legal Services shall employ all attorneys of the cabinet who serve the
 17 cabinet in the capacity of attorney, giving legal advice and opinions
 18 concerning the operation of all programs in the cabinet. The Office of Legal
 19 Services shall be headed by a general counsel who shall be appointed by the
 20 secretary with the approval of the Governor under KRS 12.050 and 12.210.
 21 The general counsel shall be the chief legal advisor to the secretary and shall
 22 be directly responsible to the secretary. The Attorney General, on the request
 23 of the secretary, may designate the general counsel as an assistant attorney
 24 general under the provisions of KRS 15.105;

25 (c) The Office of Inspector General shall be headed by an inspector general who
 26 shall be appointed by the secretary with the approval of the Governor. The
 27 inspector general shall be directly responsible to the secretary. The Office of

Inspector General shall be responsible for:

1. The conduct of audits and investigations for detecting the perpetration of fraud or abuse of any program by any client, or by any vendor of services with whom the cabinet has contracted; and the conduct of special investigations requested by the secretary, commissioners, or office heads of the cabinet into matters related to the cabinet or its programs;
 2. Licensing and regulatory functions as the secretary may delegate;
 3. Review of health facilities participating in transplant programs, as determined by the secretary, for the purpose of determining any violations of KRS 311.1911 to 311.1959, 311.1961, and 311.1963;
 4. The duties, responsibilities, and authority pertaining to the certificate of need functions and the licensure appeals functions, pursuant to KRS Chapter 216B; and
 5. The notification and forwarding of any information relevant to possible criminal violations to the appropriate prosecuting authority;
- (d) The Office of Public Affairs shall be headed by an executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050. The office shall provide information to the public and news media about the programs, services, and initiatives of the cabinet;
- (e) The Office of Human Resource Management shall be headed by an executive director appointed by the secretary with the approval of the Governor in accordance with KRS 12.050. The office shall coordinate, oversee, and execute all personnel, training, and management functions of the cabinet. The office shall focus on the oversight, development, and implementation of quality improvement services; curriculum development and delivery of instruction to staff; the administration, management, and oversight of training

1 operations; health, safety, and compliance training; and equal employment
2 opportunity compliance functions;

3 (f) The Office of Finance and Budget shall be headed by an executive director
4 appointed by the secretary with the approval of the Governor in accordance
5 with KRS 12.050. The office shall provide central review and oversight of
6 budget, contract, and cabinet finances. The office shall provide coordination,
7 assistance, and support to program departments and independent review and
8 analysis on behalf of the secretary;

9 (g) The Office of Legislative and Regulatory Affairs shall be headed by an
10 executive director appointed by the secretary with the approval of the
11 Governor in accordance with KRS 12.050. The office shall provide central
12 review and oversight of legislation, policy, and administrative regulations.
13 The office shall provide coordination, assistance, and support to program
14 departments and independent review and analysis on behalf of the secretary;

15 (h) The Office of Administrative Services shall be headed by an executive
16 director appointed by the secretary with the approval of the Governor in
17 accordance with KRS 12.050. The office shall provide central review and
18 oversight of procurement, general accounting including grant monitoring, and
19 facility management. The office shall provide coordination, assistance, and
20 support to program departments and independent review and analysis on
21 behalf of the secretary; and

22 (i) The Office of Application Technology Services shall be headed by an
23 executive director appointed by the secretary with the approval of the
24 Governor in accordance with KRS 12.050. The office shall provide
25 application technology services including central review and oversight. The
26 office shall provide coordination, assistance, and support to program
27 departments and independent review and analysis on behalf of the secretary;

- 1 (2) Department for Medicaid Services. The Department for Medicaid Services shall
2 serve as the single state agency in the Commonwealth to administer Title XIX of the
3 Federal Social Security Act. The Department for Medicaid Services shall be headed
4 by a commissioner for Medicaid services, who shall be appointed by the secretary
5 with the approval of the Governor under KRS 12.050. The commissioner for
6 Medicaid services shall be a person who by experience and training in
7 administration and management is qualified to perform the duties of this office. The
8 commissioner for Medicaid services shall exercise authority over the Department
9 for Medicaid Services under the direction of the secretary and shall only fulfill those
10 responsibilities as delegated by the secretary;
- 11 (3) Department for Public Health. The Department for Public Health shall develop and
12 operate all programs of the cabinet that provide health services and all programs for
13 assessing the health status of the population for the promotion of health and the
14 prevention of disease, injury, disability, and premature death. This shall include but
15 not be limited to oversight of the Division of Women's Health. The Department for
16 Public Health shall be headed by a commissioner for public health who shall be
17 appointed by the secretary with the approval of the Governor under KRS 12.050.
18 The commissioner for public health shall be a duly licensed physician who by
19 experience and training in administration and management is qualified to perform
20 the duties of this office. The commissioner shall advise the head of each major
21 organizational unit enumerated in this section on policies, plans, and programs
22 relating to all matters of public health, including any actions necessary to safeguard
23 the health of the citizens of the Commonwealth. The commissioner shall serve as
24 chief medical officer of the Commonwealth. The commissioner for public health
25 shall exercise authority over the Department for Public Health under the direction of
26 the secretary and shall only fulfill those responsibilities as delegated by the
27 secretary;

- 1 (4) Department for Behavioral Health, Developmental and Intellectual Disabilities. The
2 Department for Behavioral Health, Developmental and Intellectual Disabilities shall
3 develop and administer programs for the prevention of mental illness, intellectual
4 disabilities, brain injury, developmental disabilities, and substance abuse disorders
5 and shall develop and administer an array of services and support for the treatment,
6 habilitation, and rehabilitation of persons who have a mental illness or emotional
7 disability, or who have an intellectual disability, brain injury, developmental
8 disability, or a substance abuse disorder. The Department for Behavioral Health,
9 Developmental and Intellectual Disabilities shall be headed by a commissioner for
10 behavioral health, developmental and intellectual disabilities who shall be
11 appointed by the secretary with the approval of the Governor under KRS 12.050.
12 The commissioner for behavioral health, developmental and intellectual disabilities
13 shall be by training and experience in administration and management qualified to
14 perform the duties of the office. The commissioner for behavioral health,
15 developmental and intellectual disabilities shall exercise authority over the
16 department under the direction of the secretary, and shall only fulfill those
17 responsibilities as delegated by the secretary;
- 18 (5) Office for Children with Special Health Care Needs. The duties, responsibilities,
19 and authority set out in KRS 200.460 to 200.490 shall be performed by the office.
20 The office shall advocate the rights of children with disabilities and, to the extent
21 that funds are available, shall ensure the administration of services for children with
22 disabilities as are deemed appropriate by this office pursuant to Title V of the Social
23 Security Act. The office may promulgate administrative regulations under KRS
24 Chapter 13A as may be necessary to implement and administer its responsibilities.
25 The duties, responsibilities, and authority of the Office for Children with Special
26 Health Care Needs shall be performed through the office of the executive director.
27 The executive director shall be appointed by the secretary with the approval of the

- 1 Governor under KRS 12.050;
- 2 (6) Department for Family Resource Centers and Volunteer Services. The Department
3 for Family Resource Centers and Volunteer Services shall streamline the various
4 responsibilities associated with the human services programs for which the cabinet
5 is responsible. This shall include, but not be limited to, oversight of the Division of
6 Family Resource and Youth Services Centers and Serve Kentucky. The Department
7 for Family Resource Centers and Volunteer Services shall be headed by a
8 commissioner who shall be appointed by the secretary with the approval of the
9 Governor under KRS 12.050. The commissioner for family resource centers and
10 volunteer services shall be by training and experience in administration and
11 management qualified to perform the duties of the office, shall exercise authority
12 over the department under the direction of the secretary, and shall only fulfill those
13 responsibilities as delegated by the secretary;
- 14 (7) The Office of Health Data and Analytics shall identify and innovate strategic
15 initiatives to inform public policy initiatives and provide opportunities for improved
16 health outcomes for all Kentuckians through data analytics. The office shall provide
17 leadership in the redesign of the health care delivery system using electronic
18 information technology as a means to improve patient care and reduce medical
19 errors and duplicative services. The office shall facilitate the purchase of individual
20 and small business health insurance coverage for Kentuckians. The office shall be
21 headed by an executive director appointed by the secretary with the approval of the
22 Governor under KRS 12.050;
- 23 (8) Department for Community Based Services. The Department for Community Based
24 Services shall administer and be responsible for child and adult protection, violence
25 prevention resources, foster care and adoption, permanency, and services to enhance
26 family self-sufficiency, including child care, social services, public assistance, and
27 family support. The department shall be headed by a commissioner appointed by the

1 secretary with the approval of the Governor in accordance with KRS 12.050;

2 (9) Department for Income Support. The Department for Income Support shall be
 3 responsible for child support enforcement and disability determination. The
 4 department shall serve as the state unit as required by Title II and Title XVI of the
 5 Social Security Act, and shall have responsibility for determining eligibility for
 6 disability for those citizens of the Commonwealth who file applications for
 7 disability with the Social Security Administration. The department shall be headed
 8 by a commissioner appointed by the secretary with the approval of the Governor in
 9 accordance with KRS 12.050; and

10 (10) Department for Aging and Independent Living. The Department for Aging and
 11 Independent Living shall serve as the state unit as designated by the Administration
 12 on Aging Services under the Older Americans Act and shall have responsibility for
 13 administration of the federal community support services, in-home services, meals,
 14 family and caregiver support services, elder rights and legal assistance, senior
 15 community services employment program, the state health insurance assistance
 16 program, state home and community based services including home care,
 17 Alzheimer's respite services and the personal care attendant program, certifications
 18 of assisted living facilities, the state Council on Alzheimer's Disease and other
 19 related disorders, and guardianship services. The department shall also administer
 20 the Long-Term Care Ombudsman Program and the Medicaid Home and
 21 Community Based Waivers Participant Directed Services Option (PDS) Program.
 22 The department shall serve as the information and assistance center for aging and
 23 disability services and administer multiple federal grants and other state initiatives.
 24 The department shall be headed by a commissioner appointed by the secretary with
 25 the approval of the Governor in accordance with KRS 12.050.

26 ➔Section 23. KRS 194A.365 is amended to read as follows:

27 The cabinet shall make an annual report to the Governor, *the Legislative Research*

1 **Commission,** ~~the Child Welfare Oversight and Advisory Committee established in KRS~~
 2 ~~6.943,~~ and the Chief Justice. The report shall be tendered not later than December 1 of
 3 each year and shall include information for the previous fiscal year. The report shall
 4 include, but not be limited to, the following information:

5 (1) The number of children under an order of dependent, status, public, or voluntary
 6 commitment to the cabinet, according to: permanency planning goals, current
 7 placement, average number of placements, type of commitment, and the average
 8 length of time children remain committed to the cabinet;

9 (2) The number of children in the custody of the cabinet in the following types of
 10 residential placements, the average length of stay in these placements, and the
 11 average number of placements experienced by these children: family foster homes,
 12 private child care facilities, and placement with biological parent or person
 13 exercising custodial control or supervision;

14 (3) The number of children in the custody of the cabinet eligible for adoption, the
 15 number placed in an adoptive home, and the number ineligible for adoption and the
 16 reasons therefor;

17 (4) The cost in federal and state general funds to care for the children defined in
 18 subsections (1) and (2) of this section, including the average cost per child for each
 19 type of placement, direct social worker services, operating expenses, training, and
 20 administrative costs; and

21 (5) Any other matters relating to the care of foster children that the cabinet deems
 22 appropriate and that may promote further understanding of the impediments to
 23 providing permanent homes for foster children.

24 ➔Section 24. KRS 199.665 is amended to read as follows:

25 (1) As used in this section, unless the context otherwise requires;

26 (a) "Cabinet" means the Cabinet for Health and Family Services;

27 (b) "Performance-based contracting" means an approach that stresses permanency

1 outcomes for children and utilizes a payment structure that reinforces provider
 2 agencies' efforts to offer services that improve the outcomes for children; and

3 (c) "Secretary" means the secretary of the Cabinet for Health and Family
 4 Services.

5 (2) The secretary shall designate a study group to make recommendations regarding the
 6 creation and implementation of performance-based contracting for licensed child-
 7 caring facilities and child-placing agencies in the Commonwealth.

8 (3) The study group shall be composed of the following members:

9 (a) The secretary;

10 (b) The commissioner for the Department for Community Based Services;

11 (c) The director of the Administrative Office of the Courts, or designee;

12 (d) The executive director of the Governor's Office of Early Childhood, or
 13 designee;

14 (e) One (1) adult who was a former foster child in the Commonwealth;

15 (f) One (1) adult who is a current or former foster parent in the Commonwealth;

16 (g) Two (2) employees of a licensed child-placing agency;

17 (h) Two (2) employees of a licensed child-caring facility; and

18 (i) Any personnel within the Department for Community Based Services that the
 19 secretary deems necessary.

20 (4) In its deliberations, the study group shall include but not be limited to analysis of
 21 improved timeliness and likelihood of permanency such as reunification, adoption,
 22 or guardianship; fewer moves for children in foster care; and reduced instances of
 23 reentry into care.

24 (5) The study group shall report its recommendations by December 1, 2018, to the
 25 Governor and the Interim Joint Committees on Appropriations and Revenue and
 26 Health and Welfare and Family Services~~, and the Child Welfare Oversight and~~
 27 ~~Advisory Committee established in KRS 6.943].~~ The study group shall cease to

1 operate after the delivery of the recommendations required by this subsection.

2 (6) By July 1, 2019, the cabinet shall:

3 (a) Establish and implement performance-based contracting for licensed child-
4 caring facilities and child-placing agencies that contract with the department
5 for services; and

6 (b) Apply and implement all standards, processes, and procedures established for
7 performance-based contracting for licensed child-caring facilities and child-
8 placing agencies in accordance with paragraph (a) of this subsection to all
9 other cabinet-operated programs that are like those operated by child-caring
10 facilities and child-placing agencies.

11 (7) The cabinet shall promulgate administrative regulations to implement this section.

12 ➔Section 25. KRS 199.8943 is amended to read as follows:

13 (1) As used in this section:

14 (a) "Federally funded time-limited employee" has the same meaning as in KRS
15 18A.005;

16 (b) "Primary school program" has the same meaning as in KRS 158.031(1); and

17 (c) "Public-funded" means a program which receives local, state, or federal
18 funding.

19 (2) The Early Childhood Advisory Council shall, in consultation with early care and
20 education providers, the Cabinet for Health and Family Services, and others,
21 including but not limited to child-care resource and referral agencies and family
22 resource centers, Head Start agencies, and the Kentucky Department of Education,
23 develop a quality-based graduated early care and education program rating system
24 for public-funded licensed child-care and certified family child-care homes, public-
25 funded preschool, and Head Start, based on but not limited to:

26 (a) Classroom and instructional quality;

27 (b) Administrative and leadership practices;

- 1 (c) Staff qualifications and professional development; and
- 2 (d) Family and community engagement.
- 3 (3) (a) The Cabinet for Health and Family Services shall, in consultation with the
- 4 Early Childhood Advisory Council, promulgate administrative regulations in
- 5 accordance with KRS Chapter 13A to implement the quality-based graduated
- 6 early childhood rating system for public-funded child-care and certified family
- 7 child-care homes developed under subsection (2) of this section.
- 8 (b) The Kentucky Department of Education shall, in consultation with the Early
- 9 Childhood Advisory Council, promulgate administrative regulations in
- 10 accordance with KRS Chapter 13A to implement the quality-based graduated
- 11 early childhood rating system, developed under subsection (2) of this section,
- 12 for public-funded preschool.
- 13 (c) The administrative regulations promulgated in accordance with paragraphs (a)
- 14 and (b) of this subsection shall include:
- 15 1. Agency time frames of reviews for rating;
- 16 2. An appellate process under KRS Chapter 13B; and
- 17 3. The ability of providers to request reevaluation for rating.
- 18 (4) The quality-based early childhood rating system shall not be used for enforcement
- 19 of compliance or in any punitive manner.
- 20 (5) The Early Childhood Advisory Council, in consultation with the Kentucky Center
- 21 for Education and Workforce Statistics, the Kentucky Department of Education, and
- 22 the Cabinet for Health and Family Services, shall report by October 1 of each year
- 23 to the Interim Joint Committee on Education~~and the Child Welfare Oversight and~~
- 24 ~~Advisory Committee established in KRS 6.943~~ on the implementation of the
- 25 quality-based graduated early childhood rating system. The report shall include the
- 26 following quantitative performance measures as data becomes available:
- 27 (a) Program participation in the rating system;

- 1 (b) Ratings of programs by program type;
- 2 (c) Changes in student school-readiness measures;
- 3 (d) Longitudinal student cohort performance data tracked through student
- 4 completion of the primary school program; and
- 5 (e) Long-term viability recommendations for sustainability at the end of the Race
- 6 to the Top-Early Learning Challenge grant.

7 (6) By November 1, 2017, the Early Childhood Advisory Council and the Cabinet for
 8 Health and Family Services shall report to the Interim Joint Committee on
 9 Education and the Interim Joint Committee on Health and Welfare on
 10 recommendations and plans for sustaining program quality after the depletion of
 11 federal Race to the Top-Early Learning Challenge grant funds.

12 (7) Any federally funded time-limited employee personnel positions created as a result
 13 of the federal Race to the Top-Early Learning Challenge grant shall be eliminated
 14 upon depletion of the grant funds.

15 ➔Section 26. KRS 199.8983 is amended to read as follows:

16 (1) There is hereby created the Kentucky Child Care Advisory Council to be composed
 17 of eighteen (18) members. The members appointed by the Governor shall serve a
 18 term of three (3) years. The appointed members of the council shall be
 19 geographically and culturally representative of the population of the
 20 Commonwealth. For administrative purposes, the council shall be attached to the
 21 department. The members shall be as follows:

- 22 (a) The commissioner of the department, or designee;
- 23 (b) Four (4) members appointed by the Governor representing child-care center
- 24 providers licensed pursuant to this chapter;
- 25 (c) Two (2) members appointed by the Governor representing family child-care
- 26 home providers licensed pursuant to this chapter;
- 27 (d) Three (3) members appointed by the Governor who are parents, de facto

- 1 custodians, guardians, or legal custodians of children receiving services from
 2 child-care centers or family child-care homes licensed pursuant to this
 3 chapter;
- 4 (e) Three (3) members appointed by the Governor from the private sector who are
 5 knowledgeable about education, health, and development of children;
- 6 (f) The director of the Division of Child Care within the department, or designee,
 7 as a nonvoting ex officio member;
- 8 (g) The commissioner of education, Education and Workforce Development
 9 Cabinet, or designee, as a nonvoting ex officio member;
- 10 (h) The executive director of the Governor's Office of Early Childhood, or
 11 designee, as a nonvoting ex officio member;
- 12 (i) The commissioner of the Department for Public Health within the cabinet, or
 13 designee, as a nonvoting ex officio member; and
- 14 (j) The state fire marshal, Public Protection Cabinet, or designee, as a nonvoting
 15 ex officio member;
- 16 (2) The council shall have two (2) co-chairpersons. One (1) co-chairperson shall be the
 17 commissioner of the department, or designee, and one (1) co-chairperson shall be
 18 elected by the voting members of the council.
- 19 (3) Members shall serve until a successor has been appointed. If a vacancy on the
 20 council occurs, the Governor shall appoint a replacement for the remainder of the
 21 unexpired term.
- 22 (4) Members shall serve without compensation but shall be reimbursed for reasonable
 23 and necessary expenses in accordance with state travel expenses and reimbursement
 24 administrative regulations.
- 25 (5) The council shall meet at least quarterly and at other times upon call of the co-
 26 chairpersons.
- 27 (6) The council shall advise the cabinet on matters affecting the operations, funding,

1 and licensing of child-care centers and family child-care homes. The council shall
 2 provide input and recommendations for ways to improve quality, access, and
 3 outcomes.

- 4 (7) The council shall make an annual report by December 1 that provides summaries
 5 and recommendations to address the availability, affordability, accessibility, and
 6 quality of child care in the Commonwealth. A copy of the annual report shall be
 7 provided to the secretary, the Governor, and the Legislative Research Commission~~],~~
 8 ~~and the Child Welfare Oversight and Advisory Committee established in KRS~~
 9 ~~6.943].~~

10 ➔Section 27. KRS 200.575 is amended to read as follows:

- 11 (1) As used in this section, unless the context otherwise requires:

12 (a) "Department" means the Department for Community Based Services; and

13 (b) "Family preservation services" means programs that:

- 14 1. Follow intensive, home-based service models with demonstrated
 15 effectiveness in reducing or avoiding the need for out-of-home
 16 placement;
- 17 2. Provide such services that result in lower costs than would out-of-home
 18 placement; and
- 19 3. Employ specially trained caseworkers who shall:
 - 20 a. Provide at least half of their services in the family's home or other
 21 natural community setting;
 - 22 b. Provide direct therapeutic services available twenty-four (24)
 23 hours per day for a family;
 - 24 c. Aid in the solution of practical problems that contribute to family
 25 stress so as to effect improved parental performance and enhanced
 26 functioning of the family unit;
 - 27 d. Arrange for additional assistance, including but not limited to

1 housing, child care, education, and job training, emergency cash
2 grants, state and federally funded public assistance, and other basic
3 support needs; and

4 e. Supervise any paraprofessionals or "family aides" made available
5 to provide specialized services or skills to manage everyday
6 problems and better provide and care for children.

7 (2) The department shall be the lead administrative agency for family preservation
8 services and may receive funding for the implementation of these services. The
9 department shall:

10 (a) Provide the coordination of and planning for the implementation of family
11 preservation services;

12 (b) Provide standards for family preservation services programs;

13 (c) Monitor these services to ensure they meet measurable standards of
14 performance as set forth in state law and as developed by the department; and

15 (d) Provide the initial training and approve any ongoing training required by
16 providers of family preservation services.

17 (3) The department may provide family preservation services directly or may contract
18 to provide these services. In the event the department provides family preservation
19 services with state caseworkers, those caseworkers and cases shall be excluded for
20 the overall caseworker or case averages provided on a quarterly basis to the
21 Legislative Research Commission and the Governor's office under KRS 199.461.
22 Family preservation services caseworkers and cases shall be included in the report
23 as a separate category.

24 (4) If the department contracts to provide family preservation services, the contract
25 shall include:

26 (a) Requirements for acceptance of any client referred by the department for
27 family preservation services;

- 1 (b) Caseload standards per caseworker;
- 2 (c) Provision of twenty-four (24) hour crisis intervention services to families
- 3 served by the program;
- 4 (d) Minimum initial and ongoing training standards for family preservation
- 5 services staff; and
- 6 (e) Internal programmatic evaluation and cooperation with external evaluation as
- 7 directed by the department.
- 8 (5) Family preservation services shall be provided only to those children who are at
- 9 actual, imminent risk of out-of-home placement:
- 10 (a) Who are at risk of commitment as dependent, abused, or neglected;
- 11 (b) Who are emotionally disturbed; and
- 12 (c) Whose families are in conflict such that they are unable to exercise reasonable
- 13 control of the child.
- 14 (6) Families in which children are at risk of recurring sexual abuse perpetrated by a
- 15 member of their immediate household who remains in close physical proximity to
- 16 the victim or whose continued safety from recurring abuse cannot be reasonably
- 17 ensured, shall not be eligible for family preservation services.
- 18 (7) The implementation of family preservation services shall be limited to those
- 19 situations where protection can be ensured for children, families, and the
- 20 community.
- 21 (8) The provision of family preservation services to a family shall constitute a
- 22 reasonable effort by the Cabinet for Health and Family Services to prevent the
- 23 removal of a child from the child's home under KRS 620.140, provided that the
- 24 family has received timely access to other services from the Cabinet for Health and
- 25 Family Services for which the family is eligible.
- 26 (9) Acceptance of family preservation services shall not be considered an admission to
- 27 any allegation that initiated the investigation of the family, nor shall refusal of

1 family preservation services be considered as evidence in any proceeding except
 2 where the issue is whether the Cabinet for Health and Family Services has made
 3 reasonable efforts to prevent removal of a child.

4 (10) No family preservation services program shall compel any family member to
 5 engage in any activity or refrain from any activity, which is not reasonably related to
 6 remedying any condition that gave rise, or which could reasonably give rise, to any
 7 finding of child abuse, neglect, or dependency.

8 (11) The commissioner of the department shall conduct and submit to the Legislative
 9 Research Commission ~~[Child Welfare Oversight and Advisory Committee~~
 10 ~~established in KRS 6.943.]~~ an annual evaluation of the family preservation services,
 11 which shall include the following:

12 (a) The number of families receiving family preservation services, the number of
 13 children in those families, and the number of children in those families who
 14 would have been placed in out-of-home care if the family preservation
 15 services had not be available;

16 (b) Among those families receiving family preservation services, the number of
 17 children placed outside the home;

18 (c) The average cost per family of providing family preservation services;

19 (d) The number of children who remain reunified with their families six (6)
 20 months and one (1) year after completion of the family preservation services;
 21 and

22 (e) An overall evaluation of the progress of family preservation services programs
 23 during the preceding year, recommendations for improvements in the delivery
 24 of this service, and a plan for the continued development of family
 25 preservation services to ensure progress towards statewide availability.

26 (12) Nothing in this section shall prohibit the department from developing other in-home
 27 services in accordance with its statutory authority to promulgate administrative

1 regulations in accordance with KRS Chapter 13A or to enter into contractual
2 arrangements in accordance with KRS Chapter 45.

3 ➔Section 28. KRS 211.684 is amended to read as follows:

4 (1) For the purposes of KRS Chapter 211:

5 (a) "Child fatality" means the death of a person under the age of eighteen (18)
6 years;

7 (b) "Local child and maternal fatality response team" and "local team" means a
8 community team composed of representatives of agencies, offices, and
9 institutions that investigate child and maternal deaths, including but not
10 limited to, coroners, social service workers, medical professionals, law
11 enforcement officials, and Commonwealth's and county attorneys; and

12 (c) "Maternal fatality" means the death of a woman within one (1) year of giving
13 birth.

14 (2) The Department for Public Health may establish a state child and maternal fatality
15 review team. The state team may include representatives of public health, social
16 services, law enforcement, prosecution, coroners, health-care providers, and other
17 agencies or professions deemed appropriate by the commissioner of the department.

18 (3) If a state team is created, the duties of the state team may include the following:

19 (a) Develop and distribute a model protocol for local child and maternal fatality
20 response teams for the investigation of child and maternal fatalities;

21 (b) Facilitate the development of local child and maternal fatality response teams
22 which may include, but is not limited to, providing joint training opportunities
23 and, upon request, providing technical assistance;

24 (c) Review and approve local protocols prepared and submitted by local teams;

25 (d) Receive data and information on child and maternal fatalities and analyze the
26 information to identify trends, patterns, and risk factors;

27 (e) Evaluate the effectiveness of prevention and intervention strategies adopted;

1 and

2 (f) Recommend changes in state programs, legislation, administrative regulations,
3 policies, budgets, and treatment and service standards which may facilitate
4 strategies for prevention and reduce the number of child and maternal
5 fatalities.

6 (4) The department shall prepare an annual report to be submitted no later than
7 November 1 of each year to the Governor~~], the Child Welfare Oversight and~~
8 ~~Advisory Committee established in KRS 6.943]~~, the Interim Joint Committee on
9 Health, Welfare, and Family Services, the Chief Justice of the Kentucky Supreme
10 Court, and to be made available to the citizens of the Commonwealth. The report
11 shall include a statistical analysis, that include the demographics of race, income,
12 and geography, of the incidence and causes of child and maternal fatalities in the
13 Commonwealth during the past fiscal year and recommendations for action. The
14 report shall not include any information which would identify specific child and
15 maternal fatality cases.

16 ➔Section 29. KRS 605.120 is amended to read as follows:

17 (1) The cabinet is authorized to expend available funds to provide for the board,
18 lodging, and care of children who would otherwise be placed in foster care or who
19 are placed by the cabinet in a foster home or boarding home, or may arrange for
20 payments or contributions by any local governmental unit, or public or private
21 agency or organization, willing to make payments or contributions for such purpose.
22 The cabinet may accept any gift, devise, or bequest made to it for its purposes.

23 (2) The cabinet shall establish a reimbursement system, within existing appropriation
24 amounts, for foster parents that comes as close as possible to meeting the actual cost
25 of caring for foster children. The cabinet shall consider providing additional
26 reimbursement for foster parents who obtain additional training, and foster parents
27 who have served for an extended period of time. In establishing a reimbursement

1 system, the cabinet shall, to the extent possible within existing appropriation
 2 amounts, address the additional cost associated with providing care to children with
 3 exceptional needs.

4 (3) The cabinet shall review reimbursement rates paid to foster parents and shall issue a
 5 report upon request comparing the rates paid by Kentucky to the figures presented
 6 in the Expenditures on Children by Families Annual Report prepared by the United
 7 States Department of Agriculture and the rates paid to foster parents by other states.
 8 To the extent that funding is available, reimbursement rates paid to foster parents
 9 shall be increased on an annual basis to reflect cost of living increases.

10 (4) The cabinet is encouraged to develop pilot projects both within the state system and
 11 in collaboration with private child caring agencies to test alternative delivery
 12 systems and nontraditional funding mechanisms.

13 (5) (a) The cabinet shall track and analyze data on relative and fictive kin caregiver
 14 placements. The data shall include but not be limited to:

- 15 1. Demographic data on relative and fictive kin caregivers and children in
 16 their care;
- 17 2. Custodial options selected by the relative and fictive kin caregivers;
- 18 3. Services provisioned to relative and fictive kin caregivers and children
 19 in their care; and
- 20 4. Permanency benchmarks and outcomes for relative and fictive kin
 21 caregiver placements.

22 (b) By September 30, 2020, and upon request thereafter, the cabinet shall submit a
 23 report to the Governor, the Chief Justice of the Supreme Court, and the
 24 director of the Legislative Research Commission for distribution to the ~~Child~~
 25 ~~Welfare Oversight and Advisory Committee and the~~ Interim Joint Committee
 26 on Health and Welfare and Family Services relating to the data tracking and
 27 analysis established in this subsection.

1 (6) Foster parents shall have the authority, unless the cabinet determines that the child's
 2 religion, race, ethnicity, or national origin prevents it, to make decisions regarding
 3 haircuts and hairstyles for foster children who are in their care for thirty (30) days or
 4 more.

5 ➔Section 30. KRS 620.055 is amended to read as follows:

6 (1) An external child fatality and near fatality review panel is hereby created and
 7 established for the purpose of conducting comprehensive reviews of child fatalities
 8 and near fatalities, reported to the Cabinet for Health and Family Services,
 9 suspected to be a result of abuse or neglect. The panel shall be attached to the
 10 Justice and Public Safety Cabinet for staff and administrative purposes.

11 (2) The external child fatality and near fatality review panel shall be composed of the
 12 following five (5) ex officio nonvoting members and fifteen (15) voting members:

13 (a) The chairperson of the House Health and Welfare Committee of the Kentucky
 14 General Assembly, who shall be an ex officio nonvoting member;

15 (b) The chairperson of the Senate Health and Welfare Committee of the Kentucky
 16 General Assembly, who shall be an ex officio nonvoting member;

17 (c) The commissioner of the Department for Community Based Services, who
 18 shall be an ex officio nonvoting member;

19 (d) The commissioner of the Department for Public Health, who shall be an ex
 20 officio nonvoting member;

21 (e) A family court judge selected by the Chief Justice of the Kentucky Supreme
 22 Court, who shall be an ex officio nonvoting member;

23 (f) A pediatrician from the University of Kentucky's Department of Pediatrics
 24 who is licensed and experienced in forensic medicine relating to child abuse
 25 and neglect to be selected by the Attorney General from a list of three (3)
 26 names provided by the dean of the University of Kentucky School of
 27 Medicine;

- 1 (g) A pediatrician from the University of Louisville's Department of Pediatrics
2 who is licensed and experienced in forensic medicine relating to child abuse
3 and neglect to be selected by the Attorney General from a list of three (3)
4 names provided by the dean of the University of Louisville School of
5 Medicine;
- 6 (h) The state medical examiner or designee;
- 7 (i) A court-appointed special advocate (CASA) program director to be selected
8 by the Attorney General from a list of three (3) names provided by the
9 Kentucky CASA Association;
- 10 (j) A peace officer with experience investigating child abuse and neglect fatalities
11 and near fatalities to be selected by the Attorney General from a list of three
12 (3) names provided by the commissioner of the Kentucky State Police;
- 13 (k) A representative from Prevent Child Abuse Kentucky, Inc. to be selected by
14 the Attorney General from a list of three (3) names provided by the president
15 of the Prevent Child Abuse Kentucky, Inc. board of directors;
- 16 (l) A practicing local prosecutor to be selected by the Attorney General;
- 17 (m) The executive director of the Kentucky Domestic Violence Association or the
18 executive director's designee;
- 19 (n) The chairperson of the State Child Fatality Review Team established in
20 accordance with KRS 211.684 or the chairperson's designee;
- 21 (o) A practicing social work clinician to be selected by the Attorney General from
22 a list of three (3) names provided by the Board of Social Work;
- 23 (p) A practicing addiction counselor to be selected by the Attorney General from
24 a list of three (3) names provided by the Kentucky Association of Addiction
25 Professionals;
- 26 (q) A representative from the family resource and youth service centers to be
27 selected by the Attorney General from a list of three (3) names submitted by

- 1 the Cabinet for Health and Family Services;
- 2 (r) A representative of a community mental health center to be selected by the
- 3 Attorney General from a list of three (3) names provided by the Kentucky
- 4 Association of Regional Mental Health and Mental Retardation Programs,
- 5 Inc.;
- 6 (s) A member of a citizen foster care review board selected by the Chief Justice
- 7 of the Kentucky Supreme Court; and
- 8 (t) An at-large representative who shall serve as chairperson to be selected by the
- 9 Secretary of State.
- 10 (3) (a) By August 1, 2013, the appointing authority or the appointing authorities, as
- 11 the case may be, shall have appointed panel members. Initial terms of
- 12 members, other than those serving ex officio, shall be staggered to provide
- 13 continuity. Initial appointments shall be: five (5) members for terms of one (1)
- 14 year, five (5) members for terms of two (2) years, and five (5) members for
- 15 terms of three (3) years, these terms to expire, in each instance, on June 30
- 16 and thereafter until a successor is appointed and accepts appointment.
- 17 (b) Upon the expiration of these initial staggered terms, successors shall be
- 18 appointed by the respective appointing authorities, for terms of two (2) years,
- 19 and until successors are appointed and accept their appointments. Members
- 20 shall be eligible for reappointment. Vacancies in the membership of the panel
- 21 shall be filled in the same manner as the original appointments.
- 22 (c) At any time, a panel member shall recuse himself or herself from the review
- 23 of a case if the panel member believes he or she has a personal or private
- 24 conflict of interest.
- 25 (d) If a voting panel member is absent from two (2) or more consecutive,
- 26 regularly scheduled meetings, the member shall be considered to have
- 27 resigned and shall be replaced with a new member in the same manner as the

1 original appointment.

2 (e) If a voting panel member is proven to have violated subsection (13) of this
 3 section, the member shall be removed from the panel, and the member shall
 4 be replaced with a new member in the same manner as the original
 5 appointment.

6 (4) The panel shall meet at least quarterly and may meet upon the call of the
 7 chairperson of the panel.

8 (5) Members of the panel shall receive no compensation for their duties related to the
 9 panel, but may be reimbursed for expenses incurred in accordance with state
 10 guidelines and administrative regulations.

11 (6) Each panel member shall be provided copies of all information set out in this
 12 subsection, including but not limited to records and information, upon request, to be
 13 gathered, unredacted, and submitted to the panel within thirty (30) days by the
 14 Cabinet for Health and Family Services from the Department for Community Based
 15 Services or any agency, organization, or entity involved with a child subject to a
 16 fatality or near fatality:

17 (a) Cabinet for Health and Family Services records and documentation regarding
 18 the deceased or injured child and his or her caregivers, residents of the home,
 19 and persons supervising the child at the time of the incident that include all
 20 records and documentation set out in this paragraph:

- 21 1. All prior and ongoing investigations, services, or contacts;
- 22 2. Any and all records of services to the family provided by agencies or
 23 individuals contracted by the Cabinet for Health and Family Services;
 24 and
- 25 3. All documentation of actions taken as a result of child fatality internal
 26 reviews conducted pursuant to KRS 620.050(12)(b);

27 (b) Licensing reports from the Cabinet for Health and Family Services, Office of

- 1 Inspector General, if an incident occurred in a licensed facility;
- 2 (c) All available records regarding protective services provided out of state;
- 3 (d) All records of services provided by the Department for Juvenile Justice
- 4 regarding the deceased or injured child and his or her caregivers, residents of
- 5 the home, and persons involved with the child at the time of the incident;
- 6 (e) Autopsy reports;
- 7 (f) Emergency medical service, fire department, law enforcement, coroner, and
- 8 other first responder reports, including but not limited to photos and
- 9 interviews with family members and witnesses;
- 10 (g) Medical records regarding the deceased or injured child, including but not
- 11 limited to all records and documentation set out in this paragraph:
 - 12 1. Primary care records, including progress notes; developmental
 - 13 milestones; growth charts that include head circumference; all laboratory
 - 14 and X-ray requests and results; and birth record that includes record of
 - 15 delivery type, complications, and initial physical exam of baby;
 - 16 2. In-home provider care notes about observations of the family, bonding,
 - 17 others in home, and concerns;
 - 18 3. Hospitalization and emergency department records;
 - 19 4. Dental records;
 - 20 5. Specialist records; and
 - 21 6. All photographs of injuries of the child that are available;
- 22 (h) Educational records of the deceased or injured child, or other children residing
- 23 in the home where the incident occurred, including but not limited to the
- 24 records and documents set out in this paragraph:
 - 25 1. Attendance records;
 - 26 2. Special education services;
 - 27 3. School-based health records; and

1 4. Documentation of any interaction and services provided to the children
2 and family.

3 The release of educational records shall be in compliance with the Family
4 Educational Rights and Privacy Act, 20 U.S.C. sec. 1232g and its
5 implementing regulations;

6 (i) Head Start records or records from any other child care or early child care
7 provider;

8 (j) Records of any Family, Circuit, or District Court involvement with the
9 deceased or injured child and his or her caregivers, residents of the home and
10 persons involved with the child at the time of the incident that include but are
11 not limited to the juvenile and family court records and orders set out in this
12 paragraph, pursuant to KRS Chapters 199, 403, 405, 406, and 600 to 645:

13 1. Petitions;

14 2. Court reports by the Department for Community Based Services,
15 guardian ad litem, court-appointed special advocate, and the Citizen
16 Foster Care Review Board;

17 3. All orders of the court, including temporary, dispositional, or
18 adjudicatory; and

19 4. Documentation of annual or any other review by the court;

20 (k) Home visit records from the Department for Public Health or other services;

21 (l) All information on prior allegations of abuse or neglect and deaths of children
22 of adults residing in the household;

23 (m) All law enforcement records and documentation regarding the deceased or
24 injured child and his or her caregivers, residents of the home, and persons
25 involved with the child at the time of the incident; and

26 (n) Mental health records regarding the deceased or injured child and his or her
27 caregivers, residents of the home, and persons involved with the child at the

1 time of the incident.

2 (7) The panel may seek the advice of experts, such as persons specializing in the fields
3 of psychiatric and forensic medicine, nursing, psychology, social work, education,
4 law enforcement, family law, or other related fields, if the facts of a case warrant
5 additional expertise.

6 (8) The panel shall post updates after each meeting to the Web site of the Justice and
7 Public Safety Cabinet regarding case reviews, findings, and recommendations.

8 (9) The panel chairperson, or other requested persons, shall report a summary of the
9 panel's discussions and proposed or actual recommendations to the Interim Joint
10 Committee on Health and Welfare of the Kentucky General Assembly monthly or at
11 the request of a committee co-chair. The goal of the committee shall be to ensure
12 impartiality regarding the operations of the panel during its review process.

13 (10) The panel shall publish an annual report by December 1 of each year consisting of
14 case reviews, findings, and recommendations for system and process improvements
15 to help prevent child fatalities and near fatalities that are due to abuse and neglect.
16 The report shall be submitted to the Governor, the secretary of the Cabinet for
17 Health and Family Services, the Chief Justice of the Supreme Court, the Attorney
18 General, and the director of the Legislative Research Commission for distribution to
19 the ~~{Child Welfare Oversight and Advisory Committee established in KRS 6.943~~
20 ~~and the }Judiciary Committee.~~

21 (11) Information and record copies that are confidential under state or federal law and
22 are provided to the external child fatality and near fatality review panel by the
23 Cabinet for Health and Family Services, the Department for Community Based
24 Services, or any agency, organization, or entity for review shall not become the
25 information and records of the panel and shall not lose their confidentiality by virtue
26 of the panel's access to the information and records. The original information and
27 records used to generate information and record copies provided to the panel in

1 accordance with subsection (6) of this section shall be maintained by the
2 appropriate agency in accordance with state and federal law and shall be subject to
3 the Kentucky Open Records Act, KRS 61.870 to 61.884. All open records requests
4 shall be made to the appropriate agency, not to the external child fatality and near
5 fatality review panel or any of the panel members. Information and record copies
6 provided to the panel for review shall be exempt from the Kentucky Open Records
7 Act, KRS 61.870 to 61.884. At the conclusion of the panel's examination, all copies
8 of information and records provided to the panel involving an individual case shall
9 be destroyed by the Justice and Public Safety Cabinet.

10 (12) Notwithstanding any provision of law to the contrary, the portions of the external
11 child fatality and near fatality review panel meetings during which an individual
12 child fatality or near fatality case is reviewed or discussed by panel members may
13 be a closed session and subject to the provisions of KRS 61.815(1) and shall only
14 occur following the conclusion of an open session. At the conclusion of the closed
15 session, the panel shall immediately convene an open session and give a summary
16 of what occurred during the closed session.

17 (13) Each member of the external child fatality and near fatality review panel, any person
18 attending a closed panel session, and any person presenting information or records
19 on an individual child fatality or near fatality shall not release information or
20 records not available under the Kentucky Open Records Act, KRS 61.870 to 61.884
21 to the public.

22 (14) A member of the external child fatality and near fatality review panel shall not be
23 prohibited from making a good faith report to any state or federal agency of any
24 information or issue that the panel member believes should be reported or disclosed
25 in an effort to facilitate effectiveness and transparency in Kentucky's child
26 protective services.

27 (15) A member of the external child fatality and near fatality review panel shall not be

held liable for any civil damages or criminal penalties pursuant to KRS 620.990 as a result of any action taken or omitted in the performance of the member's duties pursuant to this section and KRS 620.050, except for violations of subsection (11), (12), or (13) of this section.

(16) Beginning in 2014 the Legislative Oversight and Investigations Committee of the Kentucky General Assembly shall conduct an annual evaluation of the external child fatality and near fatality review panel established pursuant to this section to monitor the operations, procedures, and recommendations of the panel and shall report its findings to the General Assembly.

➔Section 31. KRS 620.320 is amended to read as follows:

The duties of the State Citizen Foster Care Review Board shall be to:

- (1) Establish, approve, and provide training programs for local citizen foster care review board members;
- (2) Review and coordinate the activities of local citizen foster care review boards;
- (3) Establish reporting procedures to be followed by the local citizen foster care review boards and publish an annual written report compiling data reported by local foster care review boards which shall include statistics relating, at a minimum, to the following:
 - (a) Barriers to permanency identified in reviews;
 - (b) The number of children moved more than three (3) times within a six (6) month period;
 - (c) The average length of time in care;
 - (d) Local solutions reported to meet identified barriers; and
 - (e) The total number and frequency of reviews;
- (4) Publish an annual written report on the effectiveness of such local citizen foster care review boards; and
- (5) Evaluate and make annual recommendations to the Supreme Court, *the Legislative*

Research Commission, and the Governor~~], and the Child Welfare Oversight and Advisory Committee established in KRS 6.943]~~ regarding:

- (a) Laws of the Commonwealth;
- (b) Practices, policies, and procedures within the Commonwealth affecting permanence for children in out-of-home placement and the investigation of allegations of abuse and neglect;
- (c) The findings of the local citizen foster care review board community forums conducted pursuant to KRS 620.270; and
- (d) The effectiveness or lack thereof and reasons therefor of local citizen foster care review of children in the custody of the cabinet in bringing about permanence for the Commonwealth's children.

➔Section 32. The Cabinet for Health and Family Services shall:

- (1) No later than September 1, 2022, report the following information to the Interim Joint Committee on Health, Welfare, and Family Services and the Benefits Cliff Task Force established pursuant to Sections 35 to 38 of this Act:
 - (a) The number of additional families served by the Child Care Assistance Program following the increase in eligibility to 200% of the federal poverty level;
 - (b) An assessment of the additional cost incurred by the state due to increasing Child Care Assistance Program eligibility to 200% of the federal poverty level; and
 - (c) An assessment of what the fiscal impact of discounting multiple copayments for families with more than one child in the Child Care Assistance Program would be;
- (2) (a) Develop a proposal to make a benefits cliff calculator and online job postings database available to the general public and to all individuals and families, including authorized representatives, applying or reapplying for public

1 assistance benefits administered by the cabinet under KRS Chapters 199 and
2 205. The proposal shall:

3 1. Include but not be limited to information regarding:

4 a. Estimated costs;

5 b. A projected timeline for implementation of the proposal;

6 c. Potential partner organizations or third parties that may assist in
7 the development or implementation of the benefits cliff calculator
8 or the online job postings database;

9 d. How public assistance beneficiaries or their authorized
10 representatives may use the benefits cliff calculator and job
11 postings database to make informed decisions regarding public
12 assistance benefits, wage increases, and employment opportunities;
13 and

14 e. Effective methods for how the cabinet will make the benefits cliff
15 calculator and online job postings database available to all
16 individuals and families, including authorized representatives,
17 applying or reapplying for public assistance benefits.

18 2. Be submitted to the Legislative Research Commission for distribution to
19 the Interim Joint Committee on Health, Welfare, and Family Services
20 and the Benefits Cliff Task Force established pursuant to Sections 35 to
21 38 of this Act no later than September 1, 2022.

22 (b) As used in this subsection, "benefits cliff calculator" means an interactive,
23 digital tool that allows recipients of public assistance benefits administered by
24 the Cabinet for Health and Family Services under KRS Chapters 199 and 205
25 to assess and understand the potential impacts, including reduction in benefits
26 or loss of eligibility, of changes to income or employment;

27 (3) No later than December 1, 2022, provide the Interim Joint Committee on Health,

1 Welfare, and Family Services with a report on the potential fiscal impact and cost
2 of:

3 (a) Utilizing a single benefit card for each cash recipient of public assistance
4 benefits administered by the Cabinet for Health and Family Services under
5 KRS Chapter 205 regardless of in which public assistance programs an
6 individual is enrolled; and

7 (b) Developing and implementing a pilot program utilizing a third party to
8 provide oversight, including contractual monitoring, and technology to
9 enhance child welfare services, to produce greater transparency in the child
10 welfare system, and to ensure compliance validation; and

11 (4) Contract, in accordance with KRS Chapter 45A, with an independent third party to
12 conduct a review of all Medicaid presumptive eligibility determinations made by
13 each qualified hospital between January 1, 2020, and the effective date of this Act
14 to ensure compliance with all state and federal laws and regulations related to
15 Medicaid presumptive eligible determinations. The independent third party
16 contacted pursuant to this subsection shall submit a report detailing the results of its
17 review, which shall include each qualified hospital's compliance with presumptive
18 eligibility determinations, to the Legislative Research Commission no later than
19 June 30, 2023.

20 ➔Section 33. If the Cabinet for Health and Family Services determines that a state
21 plan amendment, waiver, or any other form of approval or authorization from a federal
22 agency is necessary prior to the implementation of any provision of this Act, the cabinet
23 shall, within 120 days after the effective date of this Act unless otherwise specified,
24 request the state plan amendment, waiver, approval, or authorization and shall only delay
25 full implementation of those provisions for which a state plan amendment, waiver,
26 approval, or authorization was deemed necessary until the state plan amendment, waiver,
27 approval, or authorization is granted. The cabinet shall, in accordance with KRS 205.525,

1 provide a copy of any state plan amendment, waiver, or other approval or authorization
 2 application submitted pursuant to this Section to the Interim Joint Committee on Health,
 3 Welfare, and Family Service, the Interim Joint Committee on Appropriations and
 4 Revenue, and the Public Assistance Oversight and Advisory Committee and provide an
 5 update on the status of any application submitted pursuant to this section upon request.

6 ➔Section 34. The Legislative Oversight and Investigations Committee shall
 7 conduct an in-depth analysis of Temporary Assistance for Needy Families (TANF) and
 8 the Kentucky Transition Assistance Program (K-TAP) spending by the Cabinet for Health
 9 and Family Services and seek to identify alternative sources of funding for child welfare
 10 programs and services currently funded by the federal TANF block grant and state
 11 maintenance-of-effort dollars, including possible strategies for securing additional Title
 12 IV-E funds, so that future K-TAP expenditures may be allocated in a manner that
 13 prioritizes assisting recipients of public assistance in transitioning off of public assistance
 14 by finding and maintaining sustainable, gainful employment.

15 ➔Section 35. The Legislative Research Commission shall establish the Benefits
 16 Cliff Task Force to review the impact of the public assistance benefits cliff on labor force
 17 participation, employment, wages, and benefit duration and usage in the Commonwealth
 18 and to develop public policy recommendations to support working families in
 19 transitioning off of public assistance into gainful employment and self-sufficiency. The
 20 duties of the Benefits Cliff Task Force shall include but are not limited to:

21 (1) Studying how the benefits cliff affects:

22 (a) Financial, employment, and career decisions made by public assistance
 23 beneficiaries in the Commonwealth;

24 (b) Labor force participation, employment, wages, education, health, and poverty
 25 in the Commonwealth; and

26 (c) The ability of businesses to hire and promote workers;

27 (2) Studying the eligibility rules and income thresholds for current public assistance

- 1 programs administered by the Cabinet for Health and Family Services;
- 2 (3) Studying the fiscal impact of the benefits cliff on state finances and identifying
- 3 budgetary impacts of addressing the benefits cliff;
- 4 (4) Studying the interconnectedness of the benefits cliff across multiple layers of
- 5 government and other support networks;
- 6 (5) Studying the awareness of the benefits cliff among public assistance beneficiaries,
- 7 government agencies and programs, the nonprofit sector, the business community,
- 8 and the general public;
- 9 (6) Evaluating policies and proposals, including the proposal submitted by the Cabinet
- 10 for Health and Family Services pursuant to Section 32 of this Act, and best practices
- 11 in other states, academia, and the think tank sector that aim to assist individuals in
- 12 transitioning off of public assistance into gainful employment and self-sufficiency;
- 13 and
- 14 (7) Making recommendations that seek to eliminate the benefits cliff as a barrier to
- 15 work, career advancement, and self-sufficiency and to reduce benefit duration and
- 16 dependency in the Commonwealth.
- 17 ➔Section 36. The Benefits Cliff Task Force shall be composed of the following
- 18 members, with final membership of the task force being subject to the consideration and
- 19 approval of the Legislative Research Commission:
- 20 (1) Two members of the House of Representatives appointed by the Speaker of the
- 21 House of Representatives, one of whom shall be designated by the Speaker of the
- 22 House of Representatives as a co-chair of the task force;
- 23 (2) One member of the House of Representatives appointed by the Minority Floor
- 24 Leader of the House of Representatives;
- 25 (3) Two members of the Senate appointed by the President of the Senate, one of whom
- 26 shall be designated by the President of the Senate as a co-chair of the task force;
- 27 (4) One member of the Senate appointed by the Minority Floor Leader of the Senate;

- 1 (5) The secretary of the Cabinet for Health and Family Services or designee;
- 2 (6) The secretary of the Education and Workforce Development Cabinet or designee;
- 3 (7) The president and chief executive officer of the Kentucky Chamber of Commerce or
- 4 designee;
- 5 (8) The executive director of the Kentucky League of Cities or designee; and
- 6 (9) The executive directors, or their designees, of four Kentucky-based nonprofit
- 7 organizations whose missions are focused on serving low-income persons, with two
- 8 selected by the President of the Senate and two selected by the Speaker of the
- 9 House of Representatives.

10 ➔Section 37. The Benefits Cliff Task Force shall meet at least monthly during the

11 2022 Interim of the General Assembly and shall submit its findings and recommendations

12 to the Legislative Research Commission for referral to the appropriate committee or

13 committees by December 1, 2022.

14 ➔Section 38. Provisions of Sections 35 to 37 of this Act to the contrary

15 notwithstanding, the Legislative Research Commission shall have the authority to

16 alternatively assign the issues identified therein to an interim joint committee or a

17 subcommittee thereof, and to designate a study completion date.

18 ➔Section 39. Sections 34 to 38 of this Act shall have the same legal status as a

19 House Concurrent Resolution.

20 ➔Section 40. If any section, any subsection, or any provision of this Act is found

21 by a court of competent jurisdiction in a final, unappealable order to be invalid or

22 unconstitutional, the decision of the court shall not affect or impair any of the remaining

23 sections, subsections, or provisions of this Act.

24 ➔Section 41. The following KRS sections are repealed:

25 6.940 Medicaid Oversight and Advisory Committee -- Membership -- Meetings -- Vote

26 required to act.

27 6.943 Child Welfare Oversight and Advisory Committee -- Membership -- Co-chairs --

- 1 Quorum -- Employment of personnel -- Staff and operating costs.
- 2 620.345 Study group on privatizing foster care services -- Membership --
- 3 Recommendations.
- 4 ➔Section 42. Sections 20 to 31 and 41 of this Act take effect January 1, 2023.